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FACTS ON FILE

WORLD NEWS DIGEST WITH INDEX

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WORLD AFFAIRS

Laos

Cease-Fire Appeal. Britain and the USSR issued a joint appeal Apr. 24 for a cease-fire in the civil war between the Laotian government and the pro-Communist Pathet Lao rebels.

The truce plea went unheeded for more than a week while government and rebel envoys sought to confer, but a cease-fire was ordered throughout Laos May 3.

The cease-fire appeal was made in these messages issued by the USSR and Britain as co-chairmen of the 1954 Geneva conference on Indochina:

- A message calling for the cease-fire—"The co-chairmen call on all military authorities, parties and organizations in Laos to cease fire before the convening of . . . [an] international conference on Laos, and they call on appropriate representatives to enter into negotiations . . . on questions connected with the cease-fire." They "call on the people of Laos to cooperate with the International Commission for Supervision & Control in Laos" in supervising the truce.
- A message to the Indian government—"The co-chairmen propose [that India] . . . convene in Delhi the International Commission for Supervision & Control in Laos. They have in view that the commission will discuss . . . [its] tasks and functions . . . after the cease-fire in Laos, and will present an appropriate report to the co-chairmen, who will . . . give it directions on going to Laos to . . . [control] the cease-fire."
- A message to 12 other states involved in the Laos crisis—"The co-chairmen . . . have examined the situation . . . in Laos and taken note that at present there exist real conditions for the normalization of the situation." The following states were asked to attend an "International Conference on the Laotian question," to be convened May 12 in Geneva at the foreign ministers' level: Britain, Burma, Cambodia, Canada, France, India, Laos, North Vietnam, Poland, Red China, South Vietnam, Thailand, the U.S. and USSR.

The British-Soviet notes were issued only after British Amb.-to-USSR Sir Frank Roberts had protested repeatedly to Soviet Foreign Min. Gromyko against the USSR's seemingly deliberate delay in meeting the West's conditions for a crease-fire. The Soviet delay was attributed to its desire to see the Pathet Lao rebels advance and improve their strategic position before a cease-fire.

Control Group Summoned. The International Control Commission for Laos was convened in New Delhi Apr. 28 by Indian Prime Min. Nehru, who had summoned the Polish and Canadian representatives to the 3-power body Apr. 24 immediately after receiving the Anglo-Soviet request.

Nehru told the commission that it was imperative that it go to Laos to insure a rapid cease-fire. Otherwise, he warned, continued fighting would wreck the current East-West accord on an international settlement of the Laotian crisis. A report adopted by the commission Apr. 28 expressed "full agreement" on the need for a "speedy solution" of matters delaying a cease-fire. An initial report on the commission's activities was approved and transmitted to Britain and the USSR May 1 by Samarendranath Sen, Indian high commissioner to Australia and commission chairman, and Jerzy Michalowsky and Leon Mayrand, respectively the Polish and Canadian chief delegates to the commission.

(U.S. Pres. Kennedy was said to have urged Nehru in a personal message delivered Apr. 28 to use his good offices in speeding action on a Laos truce. Nehru reportedly informed Mr. Kennedy Apr. 29 that he feared the dangers of continued fighting in Laos and had asked the USSR and North Vietnam to support the truce efforts.)

Truce Imposed. 10 days of negotiations were required to bring a cease-fire into effect between the Laotian government of Prince Boun Oum and the rebel regime headed for the Pathet Lao by Prince Souvanna Phouma, deposed former neutralist premier.

The truce was accepted in principle by both sides Apr. 25 but no date was fixed for cessation of hostilities, and the Pathet Lao forces continued their advance against government positions throughout Laos.

Rebel forces drove government troops from Vang Vieng, 85 miles north of Vientiane, Apr. 22 and pressed their offensive against Vientiane and Luang Prabang. 4 members of a U.S. Military Assistance Advisory Group team with Laos' army were missing after the fall of Vang Vieng.

An airlift of U.S. arms was begun to Laos from the Philippines Apr. 26 after reports that the Pathet Lao had launched fresh attacks in key areas near Muong Sai, 55 miles north of Luang Prabang, east of Thakhek in south central Laos, and south of Luang Prabang. A new assault was begun by rebel forces Apr. 29 near Ban Keun, 44 miles north of Vientiane.

The delay in arranging the cease-fire technically was due to demands by each side Apr. 27 that the other meet for truce talks in its capital—Luang Prabang, the Laos government's royal capital, and Xiengkhouang, the Pathet Lao stronghold in northern Laos. A government cease-fire mission was sent to an area north of Ban Keun Apr. 29 but was ignored by the rebels. A government officer met with rebel officials May 1 near Ban Van Ky, in the Vang Vieng area north of Vientiane, and a provisional truce was imposed in the region the next day. The truce was made general and ordered on all Laotian fronts May 3.

Peace Terms. The Pathet Lao cease-fire order was issued in communiqués broadcast by North Vietnam's Hanoi radio May 3. Issued in the name of Prince Souvanna Phouma's interim rebel government, they called on the Boun Oum government to send delegates to a political conference in Na Mon to discuss the formation of a new coalition government and Laos' representation at the forthcoming Geneva conference. They called for a formal armistice between the 2 sides as a precondition to a political settlement.

Prince Souvanna had returned to rebel-held Xiengkhouang Apr. 28 from his tour of world capitals. A joint communiqué issued in Moscow Apr. 22 on Souvanna's talks with Premier Khrushchev stressed both leaders' views that peace could be restored in Laos. Souvanna flew from Moscow to Hanoi Apr. 21 and conferred with North Vietnamese Premier Pham Van Dong before returning to Laos. His May 3 demand that the Laotian gov-

Week in Headlines

Britain and USSR appealed to both sides in Laotian civil war to halt fighting; International Control Commission convened, cease-fire ordered.

UN approved continued financing of its Congo operations, Katanga Pres. Tshombe arrested by Léopoldville government.

Pres. Kennedy proposed revision of conflict-of-interest laws.

Depressed areas aid bill enacted.

Castro declared Cuba a Socialist state, barred elections.

State Secy. Rusk told Senate hearing U.S. trained, financed and equipped Cuban invaders.

Pulitzer Prizes awarded.

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Lenin Peace Prizes

The Soviet Union Apr. 30 awarded Cuban Premier Fidél Castro a 1960 Lenin Peace Prize as a "statesman . . . whose entire life is dedicated to the . . . struggle . . . for freedom and independence." Other 1960 Lenin prize recipients: Pres. Sékou Touré of Guinea; Mrs. Rameshwari Nehru, an Indian peace movement leader; Mikhail Sadoveanu, Rumanian writer; Antoine Georges Tabet, Lebanese architect; Polish Communist Ostap Dluski, one of the founders of the World Peace Council; William Morrow, Australian labor leader. [See Vol. XX, p. 152E2]

ernment discuss formation of a coalition regime made clear his intention of heading any such regime.

King Savang Vathana's opposition to submission of Laos' problems to the planned 14-nation Geneva conference was disclosed May 1 by Cambodian Prince Norodom Sihanouk after 2 days of talks in Luang Prabang. The king was said to have insisted that Laotian factions be permitted to meet and settle their differences without foreign interference. Norodom, originator of the plan for the 14-nation meeting, withdrew his sponsorship of the conference in deference to the king's views. U.S. Amb. W. Averell Harriman, in Vientiane the same day, told newsmen that the Boun Oum cabinet had assured him of its support for the Geneva conference.

U.S. Reviews Policy. A series of top-level White House policy meetings were begun by Pres. Kennedy Apr. 27 to discuss possible U.S. moves in the face of the worsening military situation in Laos and the seeming refusal of the pro-Communist rebels to accept an immediate cease-fire.

The President conferred with the National Security Council Apr. 27 and met with Congressional leaders of both parties later that day to brief them on the Laos crisis. A State Department statement said Apr. 27 that both meetings had "revolved around the question of what the approach of the United States . . . is to be should the Communist rebels prove completely unwilling to grant a cease-fire." Implicit in the statement and in comments of Administration officials was the view that Mr. Kennedy was considering some form of Western military intervention in Laos unless the USSR forced rebel acceptance of a truce.

Mr. Kennedy met with the National Security Council again Apr. 29 and interrupted a weekend at his Virginia estate to return to the White House Apr. 30 and meet with State Secy. Rusk. A 3d National Security Council meeting on Laos was held by Mr. Kennedy May 2.

(Chrmn. J. W. Fulbright of the Senate Foreign Relations Committee told a TV panel Apr. 30 that he opposed any plan to send U.S. troops to Laos because the "terrain and conditions" made effective military operations difficult.)

Congo

UN Assembly Votes Funds. Secy. Gen. Hammarskjöld was authorized by the UN General Assembly Apr. 22 to spend up to $10 million monthly on UN Congo operations until the question of continued financing was settled at the Assembly's 16th session.

(The 1961 portion of the 15th session was adjourned at midnight Apr. 21, but the Assembly's clocks were stopped to permit it to complete action on the Cuban and Congo questions.)

The Assembly voted by 54-15 (USSR and Soviet bloc opposed, 23 abstentions) to continue the temporary $10 million monthly Congo fund authorization in effect since Jan. 1. The vote was on a revised resolution presented by Ghana, Liberia, Pakistan and Tunisia providing for reductions of up to 80% in the special Congo assessments to be imposed on smaller UN member states. A similar resolution, providing for reductions of up to 75% in smaller states' assessments, had received 45 votes in favor, 25 against (25 abstentions), less than the required ⅔ majority, when it came before the Assembly Apr. 21. The rejection was reversed when Latin American states, which had demanded a 90% reduction in their Congo assessments, were persuaded to support the revised version.

The Assembly Apr. 22 adopted a Canadian-sponsored resolution calling for completion of a study of "methods for covering the cost of peace-keeping operations" in the Congo before the convening of the 16th session.

(In a report to the Assembly Apr. 7, Secy. Gen. Hammarskjöld disclosed the virtual failure of UN efforts to raise a $100 million fund for restoration of the Congo's economic life. Hammarskjöld reported that only $17,881,265 had been donated to the fund, $10 million of it by the U.S. He said that contributions had been sufficient only to aid the UN's most urgent emergency operations in the Congo.) [See p. 110E2]

Congolese Leaders Meet. More than 200 of the Congo's political and tribal leaders met Apr. 24 in Coquilhatville, capital of Equator Province, for a conference convened by Congo Pres. Joseph Kasavubu to discuss plans for the country's future.

The Coquilhatville meeting was a sequel to the March conference of Congolese leaders in Madagascar at which it was decided to transform the Congo into a confederation of autonomous states. [See p. 89B1]

Nearly all major Congolese leaders except Antoine Gizenga, premier of the leftist dissident regime based in Stanleyville, attended the Coquilhatville meeting. Participants included Premier Joseph Ileo and Foreign Min. Justin Bomboko of the central Congolese government, Pres. Moise Tshombe of Katanga, Pres. Albert Kalonji of South Kasai, and Jason Sendwe, leader of a separatist regime in northern Katanga.

(Gizenga had conferred Apr. 3-5 in Stanleyville with Cleophas Kamitatu, central government envoy, on unity talks between the 2 regimes. Kamitatu reported Gizenga's agreement to further talks Apr. 6, but they were delayed pending the Coquilhatville conference.)

Kasavubu told the conferees Apr. 24 that they were meeting to deal with 5 basic questions: reorganization of the Congolese army, the structure of a new Congolese state, the Congo's diplomatic representation abroad, relations with the UN, and the worsening economic crisis.

(Congo reports said Apr. 24 that Kasavubu had called the meeting to seek approval for transforming the Congo into a federation ruled by a strong central government, rather than a confederation whose member states would retain autonomy. The chief advocate of confederation was Tshombe, whose Katanga government rivalled the central Léopoldville regime.)

Tshombe Arrested. Katanga Pres. Tshombe was arrested by troops of the central Congolese government Apr. 26 after he had walked out of the Coquilhatville conference.

Tshombe attacked Kasavubu in conference sessions Apr. 24-25 for allegedly betraying the Congo in his relations with the UN. He demanded that the central government renounce its agreement with the UN for reorganization of Congolese armed forces and expulsion of foreign advisers. He also called on the meeting to voice its censure of UN Force actions in Katanga and other parts of the Congo. He led the Katanga delegation from the meeting Apr. 25 and rejected all further discussion unless Kasavubu accepted his demands.

Tshombe, Katanga Foreign Min. Evariste Kimbe and 6 Belgian advisers were arrested by Congolese troops Apr. 26 as they sought to board a plane in Coquilhatville to return to Katanga. The central Congolese government insisted Apr. 27 that the arresting troops had acted on their own authority to prevent Tshombe from breaking up the conference. Tshombe remained at the Coquilhatville airport without food for 2 days while officials sought to persuade him to return to the conference. He returned to Coquilhatville under arrest Apr. 28. It was announced Apr. 30 that Tshombe would not be permitted to return to Katanga immediately, but would be transferred, under guard, to Léopoldville.

Acting at Kasavubu's request, the UN Force in Coquilhatville arrested Tshombe's 6 Belgian advisers and flew them to Léopoldville for interrogation and expulsion from the Congo.

Foreign Min. Bomboko announced in Coquilhatville Apr. 30 that the remaining conferees unanimously had indorsed Kasavubu's accords with the UN for reorganization of the Congolese army and ouster of foreign ad-

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visers. He said the meeting had ordered Kasavubu to take all measures necessary for the disarming of separatist armies in Katanga as well as in Oriental and Kivu Provinces.

Katanga Accepts UN Demands. The Katanga government informed UN Secy. Gen. Hammarskjöld May 2 that it was prepared to receive UN representatives to negotiate agreements for reorganizing the regime's armed forces and withdrawing its Belgian advisers.

A Katanga cabinet statement issued in Elisabethville called for the immediate release of Pres. Tshombe and said that his government was ready to cooperate with the UN because the Kasavubu government in Léopoldville had accepted Tshombe's demands for creation of the Congo confederation approved by the Madagascar conference in March. It urged the UN to sponsor a new conference of Congolese leaders because the Coquilhatville meeting's decisions had been compromised by Tshombe's arrest. The statement was made public by the 3 officials said to have been left in control of Katanga by Tshombe during his absence—Vice Pres. Jean Kibwe, Interior Min. Godefroid Munongo, and Education Min. Joseph Kiwele.

In its initial reaction to Tshombe's arrest, the Katanga cabinet had warned Apr. 28 that the central government risked "general civil war" unless it released Tshombe immediately.

UN Force Clashes. 3 soldiers of Ghana's UN Force contingent were killed and 2 British and 2 Swedish UN Force officers were missing and presumed dead in clashes with Congolese troops Apr. 29 in and near Port Francqui, Kasai Province. The major clash occurred when troops of the Congolese army garrison in Port Francqui surrounded and disarmed 60 of the unit's soldiers and kidnaped the officers. At least one of the Ghanaians was killed the same day when Congolese troops ambushed a Ghanaian UN Force relief column as it approached Port Francqui from Luluabourg. 40 of the Ghanaians were released in Port Francqui May 1. The remainder were believed to have escaped into the bush.

Katanga troops advancing against Kabolo, last stronghold of the northern Katanga, Luluaba state proclaimed by Jason Sendwe, were disarmed Apr. 8 by Ethiopian UN troops stationed in the city. The UN troops were ordered to use force if needed to disarm the Katangans because their advance was considered likely to cause a renewal of tribal warfare.

The UN Force command in Léopoldville confirmed Apr. 27 that arrangements had been completed for the return of UN troops to Matadi, the Congo's chief seaport and receiving point for UN supplies from abroad. Plans for the assignment of 100 Nigerian UN police to Matadi were worked out in the seaport the previous day by UN Force officers and Gen. Mobutu. [See p. 138E2]

NATIONAL AFFAIRS

The President

Ethics in Government. Pres. Kennedy sent to Congress Apr. 27 a message that urged adoption of a proposed revision of conflict-of-interest laws and outlined intended executive action to ensure high ethical behavior "by those who conduct the public business." The President said he would designate an officer in the executive office who would be responsible for "coordinating ethics administration."

Although the "ultimate answer to ethical problems in government is honest people in a good ethical environment," the message said, formal regulation was required to "lay down clear guidelines of policy, punish venality and double-dealing and set a general ethical tone. . . ." "It will often be difficult to assess the propriety of particular actions," it said. "In such subtle cases, honest disclosure will often be the surest solution, for the public will understand good-faith efforts to avoid improper use of public office when they are kept informed. . . . Perhaps the gravest responsibility of all rests upon the office of President."

The President submitted with the message a proposed Executive Employes' Standards Act, a "comprehensive revision of existing conflict-of-interest statutes" (5 of the 7 statutes had been enacted before 1873). In urging its adoption, he said the act, dealing only with U.S. employes in executive, administrative and regulatory functions, would: (a) overrule judicial interpretations, based upon the old statutes, that only when a claim for money or property was involved was a former U.S. employe prohibited from working for a private interest in a matter for which he once had federal responsibility; (b) establish special standards for skilled, part-time or advisory U.S. employes whose primary activity was in private life; (c) permit agency heads to adopt implementing regulations and impose disciplinary measures (most of the existing laws were criminal statutes and were invoked only infrequently because of their harshness).

The President recommended that Congress require each independent agency to promulgate a code of behavior governing ex parte contacts within the agency to assure "fairness in quasi-judicial proceedings between private parties."

The message said the President would act to prohibit U.S. employes from: (1) acceptance of "any gift which is, or appears to be, designed to influence official conduct" ("when it is impossible or inappropriate to refuse," the gift was to be turned over to charity); (2) use for private gain of official information "not available to the public"; (3) use of "the authority of . . . position to induce another to provide . . . anything of economic value"; (4) outside employment which was "incompatible" with U.S. employment ("one of the most complex" ethical problems).

The President said he would order a detailed regulation on the conduct of Presidential appointees and would apply government-wide standards controlling the ownership of property by such appointees.

Cabinet members and agency heads were instructed to issue regulations designed "to maintain high moral and ethical standards" within their departments. [See pp. 135F1-A2, 25F3]

News Restraint Urged. Pres. Kennedy urged newsmen Apr. 27 "to heed the duty of self-restraint" in handling information that affected the U.S.' security in this "time of peace and peril."

The President, speaking in New York at the annual dinner of the American Newspaper Publishers Association's Bureau of Advertising, suggested that newspapers and "every group in America—unions and businessmen and public officials"—"ask the same question" with respect to every story: "Is it in the interest of national security?"

Mr. Kennedy said: There was need for both "far greater" public information and for "far greater" official secrecy because of the "deadly" "challenge to our survival and to our security that confronts us in unaccustomed ways in every sphere of human activity"; "our way of life is under attack"; "the survival of our friends is in danger"; "no war ever posed a greater threat"; "we are opposed" by a "ruthless conspiracy" that relied primarily on covert means of expansion—on infiltration, subversion, intimidation, "on guerrillas by night instead of armies by day . . . a system which has conscripted vast human and material resources" into building a "machine that combines military, diplomatic, intelligence, economic, scientific and political operations"; "loyal" and "well-meaning" newspapers had "recognized only the tests of journalism and not the tests of national security"; the U.S.' foes had "openly boasted of acquiring through our newspapers information they would otherwise hire ageents to acquire"; facts that had been published included details of "covert" U.S. operations, the size, streength, location and nature of U.S. forces, weapons and strategy "pinpointed . . . to a degree sufficient to satisfy any foreign power"; "the publication of details concerning a seecret mechanism whereby satellites were followed required its alteration" at considerable expense.

The President warned, however, that there was "little value in opposing the threat of a closed society by imitating its arbitrary restrictions" or in insuring the U.S.' survival "if our traditions do not survive with it." He said he shared with the newsmen an obligation "to inform and alert the American people" to "the perils, the prospects, the purposes of our program and the choices that we face. No President should fear public scrutiny of his program" because both support and oppostion "are necessary." No Administration official, Mr. Kennedy said, "should interpret my

words . . . as an excuse to censor the news, to stifle dissent, to cover up our mistakes or to withhold" facts the press and public "deserve to know." "This Administration intends to be candid" and "to accept full responsibility for our errors," the President declared. [See p. 45G1-F2]

(James C. Hagerty, American Broadcasting Co. vice president in charge of news and public affairs and ex-White House press secretary in the Eisenhower Administration, telegraphed the White House Apr. 28 to announce his support of Mr. Kennedy's views and to pledge that ABC "will do its best to follow his . . . recommendations.")

(AP general manager Frank J. Starzel said Apr. 28 that the President's proposal depended on guidance of "responsible government officials who also will take the responsibility for the effects and results of their decisions.")

Civilization 'at Stake.' Pres. Kennedy said Apr. 28 that, after 100 days in office, "every new piece of information, every fresh event" deepened his conviction "that the survival of our civilization is at stake and the hour is late." Speaking at a $100-a-plate Democratic dinner in Chicago's new Exposition Hall, Mr. Kennedy called it "one of the tragic ironies of our times that just when our economic strength has become the key to the strength of the free world we have widespread unemployment and substantial areas of depression."

The President said: The tide of history was neither on the Communist's nor on the U.S.' side; history "will move in the direction that strong and determined and courageous men compel it"; "our greatest adversary is not the Russians" but "our own willingness to do what must be done"; "when the true nature of the Communist conspiracy is known around the globe, when people see the final enslavement it promises, then I believe people will rally to the cause of freedom"; "we can assist" in the defense of freedom only "those who are determined to be free themselves"; the 1960 winter should not be remembered as a time when the Democrats took office, but as the time when the U.S. "began to move forward with a vastness of effort and a boldness of imagination to match the urgency and magnitude of its dangers"; the U.S. "will prove . . . that human welfare in the context of human freedom is the foundation of the future of the race"; "we would like to see an America where the welfare of every citizen is the concern of all . . . which makes full use of its great capacities to advance the welfare of all—not a welfare state—but a state with meaningful compassion for those whose welfare has been undermined." [See Vol. XX, p. 321G1-E2]

National Unity Sought. Pres. Kennedy visited ex-Pres. Herbert Hoover and Gen. of the Army Douglas MacArthur in New York Apr. 28 in a reported continuing attempt to marshal national unity in the U.S.-Cuban crisis. The President also lunched Apr. 28 with UN Secy. Gen. Dag Hammarskjöld and U.S. Rep.-to-UN Adlai E. Stevenson.

(Vice Pres. Lyndon B. Johnson had flown to Kansas City, Mo. to discuss the Cuban situation Apr. 25 with ex-Pres. Harry S. Truman.)

(Pres. Kennedy had flown to New York Apr. 27 and had spent the night at the Carlyle Hotel. He flew Apr. 28 in the Presidential Boeing 707 jet to Chicago to address a Democratic fund-raising dinner and returned to Washington immediately afterwards.)

First Peace Corps Mission. Pres. Kennedy announced at his news conference Apr. 21 that 28 surveyors, geologists and civil engineers would go to Tanganyika in September to help plan and build roads as the first overseas Peace Corps project. The group was to receive 7 weeks' training by the Tanganyikan government before beginning work under the Tanganyikan Communications and Commerce & Industry ministries.

Arrangements for the project were made by Joseph L. (Lee) St. Lawrence of the U.S.' International Cooperation Administration with the British Colonial Office in London and with Julius Nyerere (who became Tanganyika's prime minister May 1) in Dar-es-Salaam.

St. Lawrence was one of 6 Peace Corps representatives who had been sent in March to Latin America, the Far East and Africa to investigate possibilities for Peace Corps projects. The other 5: Charles Nelson, Stanley Baranson, Derek Singer, Robert Jacobs and Bayless Manning. [See p. 131D1-G2]

Congress

Areas Aid Bill Enacted. A compromise bill (S1) to provide $394 million worth of federal aid to chronically depressed areas was approved by Senate voice vote Apr. 20 and 223-193 House vote (192 D. & 31 R. vs. 137 R. & 56 D.) Apr. 26. Pres. Kennedy, in signing the bill May 1, announced the appointment of William L. Batt Jr., Pennsylvania's Labor and Industry Secretary, as Area Redevelopment Administrator in charge of the program under the Commerce Secretary.

The bill, closely resembling the original Senate bill, established, in addition to the administrator, an Area Redevelopment Advisory Policy Board and a 25-member National Public Advisory Committee on Area Redevelopment. Included in the bill was a key Administration-backed Senate provision to authorize direct Treasury borrowing to finance the bill's 3 $100 million loan funds for industrial areas, rural areas and public facilities.

"Redevelopment areas" eligible for the program were to be designated by the same criteria the Labor Department used to identify areas having a "substantial and persistent" labor surplus. (The Labor Department reported May 1 that 20 major industrial areas and 90 smaller areas met such requirements. The major areas were Atlantic City, N.J.; Altoona, Erie, Johnstown, Pittsburgh, Scranton and Wilkes-Barre-Hazleton, Pa.; Fall River, Lowell and New Bedford, Mass.; Detroit and Flint, Mich.; Evansville, Ind.; Charleston, Huntington-Ashland and Wheeling, W. Va.; Mayaguez, Ponce and San Juan, P.R., and Providence-Pawtucket, R.I.)

Senate-House conferees had eliminated from the bill (a) a Senate provision to grant preference in designation of areas to those areas determined by the President to be adversely affected by reduction of trade barriers, (b) a House provision calling for a report on the economic effects of the deactivation of military posts in areas with 6% or more unemployment.

The compromise bill set the program's termination date at June 30, 1965. It included an "anti-pirating" provision to bar the use of federal funds for the establishment of a branch plant with the intention of closing down any of the firm's original, or other, plants. It permitted federal loans and grants to cover 100% of the costs of public facility projects (the Senate bill would have limited loans, and the House bill would have limited grants, to 65% of such costs.)

The 3 Republican House conferees—Reps. Clarence E. Kilburn (N.Y.), Gordon L. McDonough (Calif.) and William B. Widnall (N.J.)—refused to sign the conference report, which was filed Apr. 20. Sen. Wallace F. Bennett (R., Utah) signed the report but opposed it in a Senate speech Apr. 20.

The Treasury financing (denounced as "back-door" spending) provision was almost the exclusive target of the House debate Apr. 26 on the conference report. [See p. 121D-F1]

Social Security Increase. The House Apr. 20 passed by a 400-14 vote (only Republicans opposed) and sent to the Senate a bill (HR6027) to permit men to retire on Social Security at 62 and to liberalize Social Security benefits. It would give an estimated $780 million in new benefits to 4,900,000 persons in the first year of operation. The bill was a revision of a more liberal Administration bill but was supported by the Administration.

The bill was to be financed by raising both the employer's and employe's tax by ⅛% of the first $4,800 of an employe's annual salary, effective Jan. 1, 1962. The bill would: (a) raise the $33 minimum monthly retirement benefit to $40 (this would affect 2,175,000 persons and cost $170 million the first year); (b) increase aged widows', widowers' and parents' benefits from 75% of the employe's retirement benefit to 82½% (this would benefit 1,525,000 and cost $105 million the first year); (c) ease eligibility requirements to cover those who worked one quarter in every 4 (this would aid 160,000 and cost $105 million the first year).

The bill was essentially unchanged from the version approved by a 22-2 vote of the House Ways & Means Committee Mar. 27. The committee had rejected an Administration provision to liberalize eligibility requirements for totally and permanently disabled employes.

The main Republican objection to the final version of the bill was the provision for retirement at 62. Prior to passage Rep. John W. Byrnes (R., Wis.) introduced a substitute measure omitting this provision as well as the increase in widows' benefits. Byrnes' substitute would have given retirement benefits to currently unqualified workers aged 72 or more and would have liberalized the earnings limit allowed Social Security recipients without loss of benefit. A motion by Rep. Thomas B. Curtis (R., Mo.) to substitute Byrnes' bill for HR6027 was rejected by voice vote. [See p. 65E-F1]

Latin American Aid. The House Apr. 25 passed and sent to the Senate by 330-82 vote a bill (HR6518) to provide $500 million for the Inter-American Social & Economic Cooperation Program and $100 million for the Chilean Reconstruction & Rehabilitation Program.

The $500 million, requested as part of Pres. Kennedy's Alliance-for-Progress program, included $394 million for loans for land reform, housing, water and sanitation projects, $100 million for public health and education grants and $6 million for the improvement of institutions and for long-term national development planning.

The bill's floor-manager, Rep. Otto E. Passman (D., La.), agreed Apr. 25 with Rep. H. R. Gross' (R., Iowa) criticism that it was "the beginning of a minimum 10-year multi-billion-dollar program." Passman urged passage on the bill's merits and not as a reaction to current U.S.-Cuban crisis. Amendments proposed by Gross to eliminate all but the Chilean fund and by Rep. John Taber (R., N.Y.) to recommit the bill, were rejected Apr. 25. [See p. 91C2-B3]

Johnson Heads Space Council. A bill (HR6169) making Vice Pres. Lyndon B. Johnson a member and chairman of the National Aeronautics & Space Council was passed by the House Apr. 17 and Senate Apr. 20 and signed by Pres. Kennedy Apr. 25. Mr. Kennedy, chairman under the existing law, had requested the change Apr. 10. [See p. 81C2; Vol. XX, 469C-D2]

Mrs. Norrell Elected to House. Mrs. Catherine D. Norrell (D.), 60, won the special election Apr. 18 for the Arkansas 6th Congressional District seat left vacant by the death of her husband, Rep. W. F. Norrell (D.).

Civil Rights

Louisiana Vote Suit. The Justice Department filed in Shreveport, La. Apr. 28 a suit charging that Negroes in East Carrol Parish had been deprived of their vote by illegal registration procedures. The suit sought an end to such practices.

Although the number of eligible Negro voters outnumbered eligible white voters by 4,183 to 2,990 in the parish, no Negroes were registered to vote, the complaint said. Negro voter-applicants were blocked, the complaint said, by requirements that they be identified by 2 registered voters from their own precinct, whereas identification of prospective white voters was by "such reasonable means as Selective Service cards, driver licenses or library cards." Since no Negroes were registered and no registered whites had been willing to identify Negro applicants, all Negro applications had been rejected so far as lacking valid identification. [See p. 130E-F1; Vol. XX, 350A-D3]

School Closing Voted. Residents of St. Helena Parish, La. voted Apr. 22 to close their public schools rather than integrate them. The vote, authorized by a new state law, made students eligible for state education grants to pay tuition in private schools. St. Helena Parish had 4,700 Negroes in a total population of 9,000, but only 4 Negroes were reported to have appeared at the election. The vote was 1,147 to 57. [See p. 121B-C3]

Labor

Dispute over Braceros. The Kennedy Administration was criticized by both sides in a dispute between organized labor and California's Imperial Valley lettuce growers over the use of braceros (Mexican field workers).

The Imperial Valley Farmers Association had contracted for 9,400 braceros to be employed in harvesting crops, during the first 6 months of 1961. The unions contended that braceros, contracted for under a law originally designed to alleviate the World War II manpower shortage, were no longer needed and that the growers used them to keep wages low. The growers said the crops could not be harvested without them.

The tension began to grow, the Labor Department reported, when the AFL-CIO Agricultural Workers Organizing Committee (AWOC) and the Packinghouse Workers, seeking recognition and a raise in hourly wages from 90¢ to $1.25, had begun picketing ranches near El Centro Jan. 13. The Labor Department described the situation as "explosive" after the arrival Feb. 1-2 of a caravan of 200-300 farmers from northern California to help the local farmers. The Mexican government Feb. 3 requested the removal of braceros from labor camps affected by strikes to protect them from violence, and the removal of 584 of 1,723 braceros from 15 struck ranches was ordered by Labor Secy. Arthur J. Goldberg Feb. 7. But more than 5,000 other braceros reportedly continued to harvest lettuce for several hundred other growers.

Violence broke out Feb. 9 when picketing was extended to 2 ranches at Brawley. 4 men, 2 of them braceros, were injured, none seriously, and 36 men were arrested. Sheriff Herbert Hughes, who had deputized more than 600 growers and sympathizers to help maintain peace, protested that U.S. workers had used rocks and clubs to drive 60 braceros from the Joe Corona labor camp at Brawley.

Another withdrawal of braceros —2,800 from 18 California companies —was ordered by Goldberg Mar. 4. AWOC organizer Norman Smith charged that the strikes had been broken by Goldberg's delay in removing braceros "being used as strike-breakers," but growers criticized the Labor Department for withdrawing braceros at all.

At a hearing before the House Agriculture subcommittee Mar. 17, Asst. Labor Secy. Jerry E. Holleman recommended extending the current bracero program provided that each farmer (1) would be required to maintain a specified proportion of U.S. workers and (2) would be forbidden to hire migrant workers until they offered domestic workers the "average farm pay" for their states. Chrmn. E. C. Gathings (D., Ark.) criticized the latter proposal and said, "We are not going to set farm wages." [See Vol. XX, pp. 452B1, 238F3, 204B1]

(AFL-CIO Pres. George Meany told the AFL-CIO Executive Council in Miami in February that the union would curtail efforts to sign up farm workers in California. He said the campaign had not been very successful and had cost $340,000 in more than a year. Although 9,500 farm workers, mostly itinerant, had been signed, Meany said, only 2,000 of them could be counted as actual members.) [See pp. 101F3-102D1]

Other U.S. News

Mitchell Wins N.J. Primary. Ex-Labor Secy. James P. Mitchell won the N.J. Republican gubernatorial primary Apr. 18 with a plurality of 39,222 votes over State Sen. Walter H. Jones, who had been backed by the state GOP organization. Mitchell's candidacy had been supported by New Jersey Sen. Clifford P. Case.

Former N.J. Superior Court Judge Richard J. Hughes won the Democratic gubernatorial nomination against token opposition. [See p. 92C-D2]

FOREIGN

Angola

Reinforcements Fight Rebels. The AP reported from Johannesburg, South Africa Apr. 28 that 1,000 whites and thousands of Africans had been killed in northern Angola since the Mar. 15 outbreak against Portuguese rule.

Portugal sent 2,500-3,000 troop reinforcements to Angola Apr. 13-25. Hundreds of additional troops also had been sent to the Portuguese East African colony of Mozambique to prevent the Angola violence from spreading to Mozambique.

The Portuguese news agency Lusitania reported Apr. 19 that rebel forces were pouring into Angola from the Congo Republic (Léopoldville) through a rebel-seized corridor near the Angolan border village of Scandica. Security forces had arrested 68 persons, including tribal chiefs, in Carmona. Portuguese forces had repulsed rebel attacks against Caxito—where 25 rebels were killed—and Novo Redondo.

Lusitania reported Apr. 17 that rebels had captured the northern Angola village of Lucunga and "completely destroyed" it by pouring gasoline over the houses and setting fire to them. At

least 7 whites and 3 Africans were killed. [See p. 128C3]

UN Resolution. The UN General Assembly Apr. 20, by a 73-2 vote (9 abstentions), approved a 36-nation Asian-African resolution that (1) called on Portugal to observe its obligations under the UN Charter for the maintenance of human rights and freedom in Angola and (2) established a 5-nation subcommittee to examine statements made during the Assembly's Angola debate and to conduct any necessary inquiry. Spain and South Africa were the only countries to oppose the resolution. [See p. 128E2]

Belgium

New Cabinet. A Belgian coalition cabinet of 11 Social Christians (SC) and 9 Socialists, headed by Social Christian Party Pres. Theo Lefevre as premier, was formed Apr. 19 and sworn in by King Baudouin Apr. 25.

The Apr. 25 cabinet (inner political cabinet): Premier—Theo Lefevre (SC); Vice Premier & Foreign—Paul-Henri Spaak (S); Defense—P. W. Segers (SC); Interior—Arthur Gilson (SC); Finance—André Dequae (SC); Agriculture—Paul Heger (SC); Justice—Pierre Vermeylen (S); Economic Affairs—Antoon Spinoy (S); Social Affairs—Edmond Leburton (S); Public Works—Joseph Merlot (S). Other ministers: Communications—Alfred Bertrand (SC); Middle Classes—Albert-Michel Declerck (SC); Health & Family—Joseph Custers (SC); Foreign Commerce—Maurice Brasseur (SC); Labor—Leon Servais (SC); Post & Telephone—Marcel Busieau (S); Education & Culture—Victor Larock (S). Assistant ministers: Education—Renaat van Elslande (S); Foreign—Henri Fayat (S); Finance—Frans Tielemans (S). [See p. 114D3]

Portugal

Cabinet Shake-Up. Portuguese Premier António de Oliveira Salazar, 71, became defense minister Apr. 13, replacing Gen. Julio Botelho Moniz, in a cabinet shift aimed at coping with the rebellion in Angola. A 2d cabinet shift was announced May 3.

The Apr. 13 cabinet appointments: Overseas Affairs Min.—Adriano Moreira, formerly overseas affairs under secretary; Overseas Affairs Undersecy.—Dr. Joao da Costa Freitas; Army—Brig. Mario Silva; Army Undersecy.—Lt. Col. Jaime da Fonseca; General Chief of Staff of Armed Forces—Gen. Manuel Gomes de Araujo.

The May 3 cabinet appointments: Interior—Alfredo Rodrigues Dos Santos; Foreign—Alberto Franco Nogueira; Education—Manuel Lopez de Almeida; Corporations & Social Insurance—José Concalves Proenca; Commerce—Joao Augusto Dias Rosa; Industry—Antonio de Carvalho Fernandes; Agriculture—Joao Mota Pereira de Campos; Undersecy. of Education—Carlos Eduardo Basto de Sovera.

South Vietnam

Ngo Reelected. South Vietnamese Pres. Ngo Dinh Diem, 60, and Vice Pres. Nguyen Gnoc Tho were reelected to a 5th term in nation-wide balloting Apr. 9. They received 85.5% of the votes in defeating the tickets of Nguyen Dinh Quat, 44, and Nguyen Thanh Phuong and of Ho Nhat Tan, 75, and Nguyen The Truyen. Ngo was sworn in Apr. 29. [See Vol. XX, p. 398C1]

Rebels Fought. South Vietnamese troops Apr. 1 beat off a Communist Viet Cong guerrilla attack of 400 men on the Kienhoa Province village of Truc Giang. Government troops Apr. 3 killed nearly 100 Viet Cong guerrillas at Bencat, north of Saigon. 14 government troops and 81 Communists had been killed in a skirmish the previous week at Caolanh.

The government charged Apr. 10 that Viet Cong rebels had "launched massive attacks in some remote areas, mostly in central Vietnam, . . . to prevent collecting of ballot boxes" in an effort to reduce Pres. Ngo's margin of victory in the election. [See p. 123F1]

— LATIN AMERICA —

Argentina

Cabinet Changes. Alvaro C. Alsogaray, 48, resigned as Argentine economy minister Apr. 24. He said his resignation had been demanded by Pres. Arturo Frondizi Apr. 23. Several of Alsogaray's aides also resigned. Alsogaray had been under criticism by labor and other groups for his austerity program. [See Vol. XX, p. 361F1]

Public Works & Services Min. Alberto R. Constantini resigned Apr. 25, and Foreign Affairs Min. Diógenes Taboada resigned Apr. 27.

Frondizi announced Apr. 28 that he had formed a new cabinet in an effort to satisfy some members of his Radical Intransigent Party who had favored a more Rightist regime.

The Apr. 28 cabinet: Economy—Robert T. Aleman; Foreign Affairs—Adolfo Mugica; Public Works & Services—Arturo Acevedo; Finance—Jorge Wehbe; Industry & Mines—José A. Blanco; Commerce—Pedro Garcia Oliver; Energy & Fuels—Vicente N. Branca; Agriculture—Cesar Ignacio Urien; National Defense—Justo P. Villar; War—Gen. Rosendo M. Fraga; Navy—Vice Adm. Gaston Clement; Aviation—Brig. Ramon A. Abrahim; Communications—Miguel F. Mugica; Interior—Alfredo R. Vitolo; Education & Justice—Luis R. McKay; Social Aid & Public Health—Hector V. Noblia; Labor & Social Security—Guillermo Acuna Anzorena. [See Vol. XVIII, p. 151D2]

Brazil

U.S. Wheat Pact. U.S. and Brazilian officials meeting in Rio de Janeiro Apr. 14 agreed on a plan to provide Brazil in 1961 with 1,000,000 tons of surplus U.S. wheat valued at $70 million. Brazil was to repay in local currency in 40 years. 15% of the proceeds was to finance the local currency needs of the U.S. Embassy in Rio de Janeiro; the remaining 85% was to pay for Brazilian public and private development programs.

(U.S. Treasury Secy. Douglas Dillon had conferred with Pres. Quadros Apr. 12 on Brazil's inflation problems.) [See Vol. XX, p. 395A3]

Cuba

Castro Bars Elections. Cuban Premier Fidél Castro, in a 3½-hour televised address at a May Day gathering in Havana May 1, declared that Cuba was a Socialist country and would no longer hold elections. In the future, Castro said, his regime would depend on direct support by Cubans attending similar rallies.

"Do you need elections?" Castro asked the crowd. "No! No!" his audience shouted. Castro said "the revolution does not contemplate giving the oppressive classes any chance to return to power." [See Vol. XX, p. 152C3]

Castro attacked the U.S. for its rôle in the Apr. 17 rebel landing and said: "If Mr. Kennedy does not like socialism, we don't like imperialism, we don't like capitalism." He warned that the U.S."aggressive policy" was "putting New York in danger of becoming another Hiroshima." [See pp. 147G1-148D2]

Castro promised the early enactment of laws barring foreign priests from Cuba and nationalizing private schools, most of which were operated by Roman Catholics.

Earlier, the May Day observance was marked by the burning of an effigy of Pres. Kennedy. There was an all-day parade of marchers carrying anti-U.S. slogans and huge portraits of Karl Marx and of Castro and other Cuban leaders. The parade was reviewed by Castro and foreign delegations including those from the Soviet Union, Communist China and Soviet-bloc nations.

(The U.S. naval base at Guantanamo had its first work stoppage in its 58 years as all but 35 of the base's 3,200 Cuban civilian employes stayed away from their jobs May 1 to participate in the May Day celebrations. The workers returned to their jobs May 2.)

U.S. Calls Cuba Communist. U.S. State Department spokesman Lincoln White declared May 2 that Castro's May Day speech proclaiming Cuba a socialist state showed that Cuba "has certainly become a member of the [Communist] bloc."

White issued a department statement in which he pointed out that "none of the members of the Communist bloc calls itself Communist. They say they are socialist and . . . working toward communism." The statement said that only the USSR and Czechoslovakia "are called socialist republics" and that the others "are called peoples' republics," presumably because "they do not consider themselves to have reached even the socialist stage yet. It would, therefore, appear that Castro considers Cuba further along the Communist road than some other countries in the bloc." The statement said that Castro's substitution of rallies for elections "sound[ed] very much like Hitler's and Mussolini's mass gatherings." [See p. 123D2-C3]

Socialism Claimed. Industry Min. Ernesto (Ché) Guevara declared in a TV-radio address Apr. 30 that Cuba was a "fully socialized country," and he emphasized that "the socialist system is characterized by the possession by the people [government] of the means of production." He described the Cuban revolution as the "first socialist revolution in America."

Guevara said the government would not be able to accomplish all its economic aims under the current 5-year plan. As a result, he said, some of those goals would have to be postponed for a 2d 5-year plan. Guevara said some Cuban industrial plants seized from U.S. owners were idle because they lacked raw materials and spare parts formerly received from the U.S. [See p. 76A1]

Rebel Force Destroyed. The N.Y. Times reported Apr. 27 that the Cuban National Revolutionary Council's anti-Castro force was no longer in existence as a result of the ill-fated Apr. 17 attack. "Reliable sources" in Miami were cited as saying the force had

barely exceeded 2,000 men although 4,000-5,000 had been claimed for propaganda purposes.

The Times said: Of the 2,000 men, 300 were weeded out at guerrilla training camps before the landings and 1,500 landed at Bahía de Cochinos. Most of those in the landing were either killed or captured. A few rebels were said to have been picked up from a raft by a cargo ship in the Caribbean. Many were reportedly drowned when 2 invasion vessels were sunk by Cuban planes. But some made their way into the Escambray Mountains to join guerrillas already there. The whereabouts of another rebel force of 200 men, trained in Louisiana and led by Capt. Higinio (Nina) Díaz, remained unknown. The force had been scheduled to land at Morón on the northern shore of Camaguey Province, but Díaz, who learned of the order at sea, reportedly had refused to make the landing because he was said to be unfamiliar with the area.

(The Havana radio reported Apr. 27 that Brig. Gen. Roberto San Roman, tactical commander of the rebel landing force, was among those captured.) [See pp. 146A-E3, 147A1, B2-B3]

U.S. Probes Attack. State Secy. Dean Rusk testified May 1 at a closed hearing of the U.S. Senate Foreign Relations Subcommittee on Latin American Affairs on the Apr. 17 rebel attack.

Subcommittee Chrmn. Wayne L. Morse (D., Ore.) afterwards quoted Rusk as confirming that the U.S. had trained, financed and equipped the Cuban invaders. Rusk was said to have testified that all U.S. government departments and agencies involved in the operation had unanimously recommended the attack. He reportedly told the hearing that there was no need to reassess the relations between the State Department and the Central Intelligence Agency as a result of the CIA's role in the attack.

Morse quoted Rusk as saying the U.S. had no current plans "to proceed in any way in armed intervention in Cuba." Rusk asserted, however, that the U.S. would "defend itself" if Cuba committed aggression, such as an attack against the U.S. naval base at Guantanamo.

Morse said after the hearing that he was satisfied that the Cuban operation had been a "joint operation" of the White House, the State and Defense Departments and the CIA.

CIA Director Allen W. Dulles and his chief deputy, Richard M. Bissell Jr., who had been directly in charge of the rebel operation, testified May 2 at a secret session of the Senate Foreign Relations Committee. After the meeting, Committee Chrmn. James W. Fulbright (D., Ark.) called the Cuban attack a "mistake" and said all U.S. agencies involved bore "collective responsibility" for it. [See p. 147G1-D3]

'Ike' Vs. 'Witch-Hunt.' Ex-Pres. Eisenhower said at a Gettysburg, Pa. news conference May 1 that he was opposed to "a full [U.S.] 'witch-hunting' investigation" of the ill-fated Cuban invasion. Instead, he advised the U.S. to "see what" it "should do in the days ahead" and to support Pres. Kennedy's "effort to prevent the solidifying of a Communist stronghold" in the Western Hemisphere. The ex-President said that his Administration had provided "some training and equipment" to anti-Castro Cuban exiles but that it had made no further plans because the exiles lacked effective leadership. [See pp. 147G1, 148G1]

Rebel Reorganization Urged. The exile Revolutionary Junta of National Liberation, headed by Dr. Aureliano Sanchez Arango, proposed in New York Apr. 26 a sweeping reorganization of rebel plans to overthrow the Castro regime. In a memorandum signed by 18 persons who claimed to represent 61 organizations, the junta criticized the National Revolutionary Council as under "complete subordination to an American agency." (Sanchez said the U.S. agency was the CIA.) The junta said the council had used U.S. money to create "an extensive, bureaucratic machinery to satisfy purely political interests." [See pp. 146A3, 106E2]

U.S. Rejects Peace Bid. Cuban Pres. Osvaldo Dorticós Torrado announced Apr. 27 that Cuba was willing to negotiate its differences with the U.S. in order to establish "peaceful coexistence, diplomatic relations and even friendly relations, if the [U.S.] so desires." The announcement was made in a note signed by Dorticós and Castro and read by Dorticós to a group of foreign diplomats summoned to the presidential palace in Havana. (The note charged that the U.S. had "organized, equipped, directed and militarily supported" the Apr. 17 rebel landing.)

The U.S. State Department Apr. 28 rejected the Cuban offer to negotiate. Department spokesman Lincoln White said: "The basic problem in Cuba is communism in this hemisphere"; "trade and economic matters may be subject to negotiations, but communism in this hemisphere is not negotiable" because it "is a multilateral problem, not a bilateral problem." [See pp. 116B1, 91F1]

Americans Advised to Leave. The U.S., through the Swiss Embassy in Havana, advised an estimated 600-1,000 U.S. citizens in Cuba Apr. 30 to leave "in the near future." [See p. 1E2]

OAS Group Bars Cuba. The OAS' Inter-American Defense Board met in Washington Apr. 26 and approved by a 12-1 vote (Cuba opposed, 5 abstentions) a U.S. resolution barring the Cuban representative from attending the board's secret sessions "as long as there exists the present evident alliance of Cuba with the Soviet bloc." The resolution also barred the Cuban delegate from access to the board's classified documents. Mexico, Brazil, Venezuela, Ecuador and Chile abstained in the vote.

Inter-American Bank

More U.S. Aid Offered. U. S. Treasury Secy. Douglas Dillon, heading the U.S. delegation at the Apr. 10-14 annual meeting of the Inter-American Bank's board of governors in Rio de Janeiro, asserted Apr. 11 that Pres. Kennedy's Alliance-for-Progress program would provide additional funds "over and above the present flow of public and private capital" to Latin America's "basic economic development."

Mr. Kennedy's program was lauded Apr. 10 by Mexican Finance Min. Antonio Ortiz Mena, speaking for all the Latin delegations, and Apr. 11 by Brazilian Finance Min. Clemente Mariani (who had been elected Apr. 10 as president of the bank's governors for the year). [See pp. 91C1-F2, 13F2]

Dominican Republic

Drive Vs. Clergy. U.S.-born Roman Catholic Bishop Thomas F. Reilly of San Juan de la Maguana, a foe of the Trujillo regime, was accused by the government Apr. 10 of heading a terrorist bomb plot "designed to create in the public mind the idea that the . . . government attacks the Catholic clergy." The government statement said 3 other alleged plotters had been arrested and had "confessed" that Reilly had "put the finishing touches on explosive bombs."

Pro-Trujillo demonstrators in San Juan de la Maguana Apr. 12 attacked Reilly's residence and church offices. Reilly and 3 priests voluntarily placed themselves under police guard after the attack. The priests included 2 Americans, Msgr. John Schomber, rector of the San Juan cathedral, and his assistant, the Rev. John Kelly. The Ciudad Trujillo newspaper El Caribe said Apr. 13 that the disturbances followed an argument between a priest and Trujillo supporters over a shutdown of business in San Juan de la Maguana. El Caribe said the stoppage was to protest Reilly's "machinations . . . against national sovereignty."

Schomber, Kelly and the Rev. Bernard O'Connor, a Canadian, were expelled from the Dominican Republic Apr. 14 as "undesirable aliens." Kelly said in New York Apr. 15 that he and Schomber had been expelled because of their refusal Apr. 9 to permit the entry into the cathedral of several persons suspected of carrying bombs. Kelly said that 10,000 persons led by 400 soldiers in civilian clothes attacked the priests' and Reilly's residences later Apr. 9. Kelly said Reilly had fled with 12 priests and 14 nuns to Ciudad Trujillo Apr. 13 and had ordered the closing of Roman Catholic centers in Elias Pina, El Cercado, Las Matos and Padre Las Casas. [See p. 134F2]

ARTS

Pulitzer Prizes. Columbia University announced May 1 the award of the 1961 Pulitzer Prizes (for achievements in 1960). It simultaneously announced the establishment of a new Pulitzer Prize for general nonfiction, effective in 1962. 1961 winners:

Letters

Drama—George Ault (Tad) Mosel Jr., 39, for "All the Way Home" (based on 1958 Pulitzer novel

"A Death in the Family," by the late James Agee; it was the first Pulitzer Prize play based on a Pulitzer Prize novel). **Fiction**—Harper Lee, 34, for "To Kill a Mockingbird" (her first novel). **History**—Herbert Feis, 68, for "Between War and Peace: The Potsdam Conference." **Biography**—David Donald, 40, for "Charles Sumner and the Coming of the Civil War." **Poetry**—Phyllis McGinley, 56, for "Times Three: Selected Verse From Three Decades" **Special citation**—"The American Heritage Picture History of the Civil War." **Music**—Walter Piston, 67, for his "Symphony No. 7" (he had won the prize in 1948 for his "Symphony No. 3.")

Journalism

Public service—The Amarillo (Tex.) Globe-Times for exposing a breakdown in local law enforcement. **Local reporting under deadline**—Sanche de Gramont, 29, N.Y. Herald Tribune, for report of Mar. 4, 1960 death of Metropolitan Opera star Leonard Warren. **Local reporting without deadline**—Edgar May, 31, Buffalo (N.Y.) News, for 14-part series on public welfare problems. **National reporting**—Edward Roger Cony, 38, Wall St. Journal, for analysis of timber transaction which drew public attention to problems of business ethics. **International reporting**—Lynn Louis Heizerling, 54, AP correspondent, for coverage of African affairs, particularly during early days of Congo independence. **Editorial writing**—William J. Dorvillier, 53, San Juan (P.R.) Star editor and publisher, for 20 editorials denouncing Roman Catholic bishops for forbidding Catholics to vote for Popular Democratic Party of Gov. Luis Munoz Marin. **Cartoon**—Carey Orr, 71, Chicago Tribune editorial cartoonist, for "The Kindly Tiger" showing tiger, representing Communism, licking its lips over figure of Africa. **News photography**—Yasushi Nagao, 30, of Mainchini (Tokyo newspaper), for picture of Oct. 12, 1960 assassination of Japanese Socialist leader Inejiro Asanuma. [See Vol. XX, p. 154C-E1]

ECONOMY

Ford for Management Ethics. Henry Ford 2d, board chairman of the Ford Motor Co., urged business executives Apr. 20 to obey a morality higher than mere obedience to the law. Speaking before the Minneapolis Junior Chamber of Commerce, Ford said morality was "not just avoiding price-fixing or conflict of interest." He said he agreed with du Pont Pres. Crawford Greenewalt that executives should do things because they were right, not because they were required. Ford, a General Electric Co. director for the past 6 years, said industry should have the "plain guts" to take the blame if it couldn't keep its house in order. "World Communism," he said, "could not ask for a better gift" than "the image of a quarrelsome, divided and corrupt society." [See p. 65E2]

Ford Foundation Grants. Ford Foundation grants totaling $7,400,000, to help solve urban and regional problems, were announced Apr. 29. $4,750,000 of the grant was appropriated for work on educational and community-life problems in depressed neighborhoods, $1,450,000 for research to extend university service to these areas and $1,250,000 to the Kansas City (Mo.) Association of Trusts & Foundations to finance 5 years' research on area problems. [See p. 59B-C2]

Anti-Trust Cases. FTC examiner John Lewis ruled Apr. 12 that Luria Bros. & Co., Inc. (Philadelphia), subsidiary of Ogden Corp. and the U.S.' largest broker and dealer of iron and steel scrap, had monopolistic exclusive-supplying arrangements, with U.S. and European steel producers from 1946 to 1951. He ordered 17 U.S. steel mills to buy at least 50% of their scrap requirements from suppliers other than Luria, provided that they offered comparable prices, and he directed Luria to sell Pueblo Compressed Steel Corp. and Southwest Steel Corp., Pittsburgh ex-competitors of Luria that Luria had acquired in 1946 and 1950, respectively.

Lewis dismissed, as without validity, the charges of the FTC's original (Jan. 1954) complaint that (1) Luria's acquisitions (beginning in mid-1940) of A. M. Wood & Co., Inc. (Philadelphia), Lipsett, Inc. (N.Y.), Lipsett Steel Products, Inc. (Brooklyn, N.Y.), Apex Steel & Supply Co. (Chicago) and its affiliate Cermack-Laflin Corp. violated the Clayton Act's antimerger section, (2) Luria's arrangement with Hugo Neu Corp. (N.Y. import-exporter) to be exclusive supplier for 5 Japanese steel producers restrained trade, and (3) that the 17 U.S. mills conspired among themselves and with Luria in other illegal practices.

The 17 U.S. mills ordered to divide purchases: Bethlehem Steel Corp. (N.Y.) and subsidiaries Bethlehem (Pa.) Steel Co. and Bethlehem Pacific Coast Steel Corp. (San Francisco); U.S. Steel Corp. (N.Y.); National Steel Corp. (Pittsburgh) and subsidiary Weirton (W. Va.) Steel Co.; Colorado Fuel & Iron Corp. and subsidiary John A. Roebling's Son Corp. (Trenton, N.J.); Phoenix Iron & Steel Co. (Phoenixville, Pa.); Granite City (Ill.) Steel Co.; Lukens Steel Co. (Coatesville, Pa.); Detroit (Mich.) Steel Corp.; McLouth Steel Corp. (Detroit); Baldwin-Lima-Hamilton Corp. (Eddystone, Pa.); Edgewater Steel Co. (Oakmont, Pa.); Bucyrus-Erie Co. (South Milwaukee, Wis.); Grimmell Corp. (Providence, R.I., formerly Columbia Malleable Castings Corp.). [See Vol. XIX, p. 335C-D3]

A federal grand jury in New York Apr. 12 indicted General Motors Corp. on charges of monopolizing the manufacture and sale of railroad locomotives since 1936. GM manufactured about 17,343 locomotives valued at $2,681,545,429 during 1946-1959, and its share of the locomotive market rose from 47.1% in 1946 to 84.1% in 1959, the complaint said. GM was accused of using its power as the U.S.' largest manufacturer and "possibly" largest freight shipper to pressure railroads to buy GM's diesels instead of its competitors'. The share of locomotive business of GM's principal competitor, Alco Products, Inc., dropped from 39.7% to 13.1% during 1946-59. 2 other competitors, Fairbanks, Morse & Co., a Fairbanks Whitney Corp. unit, and Baldwin-Lima-Hamilton Co., were driven from the field. GM made an average profit before taxes of 20.2% on diesels, compared with Alco's average of 1.9% during the period. Among the railroads allegedly pressured by GM were Gulf Mobile & Ohio, Pennsylvania, Atlantic Coast Line and N.Y. Central.

Business & Financial Summary

Week Ended Apr. 29

	This Week	Last Week	Year Ago
FINANCE:			
U.S. Treasury—			
Monetary gold stocks	*$17,390	*$17,390	*$19,373
Currency circulation	*$31,807	*$31,980	*$31,581
Banks—			
Com'l & ind'l loans§	*[a]$31,623	*$31,734	*$30,973
Agricultural loans	*[a]$1,121	*$1,111	*$892
N.Y. bank clearings	$16,380,685,045	$16,903,127,334	$13,778,994,143
N.Y. Stock Exchange—			
Stock sales (shares)	22,400,970	24,716,960	14,972,960
Stock avgs. (100 shares)**	248.96	249.53	219.67
Bond sales (par value)	$31,692,000	$37,445,000	$26,510,000
Bond avgs. (30 bonds)**	86.47	86.69	84.64
INDUSTRY:			
Auto output (cars & trucks)†	139,914	149,280	161,944
Crude oil (bbl. daily)	[b]7,244,760	7,248,810	6,982,610
Soft-coal output (tons)	[c]6,990,000	6,600,000	8,882,000
Electric output (kwh.)	*[b]14,311	*14,434	*13,567
Carloadings (cars)	[b]533,435	522,386	625,410
	March	**Feb.**	**Mar. 1960**
Ind'l output§[e]	102	102	109
Steel output (tons)	7,086,389	6,239,098	11,564,683
PRICES:	**This Week**	**Last Week**	**Year Ago**
Wheat (bu.)	$2.39⅛	$2.39⅞	$2.48⅛
Corn (bu.)	$1.44	$1.44	$1.50¼
Cotton (lb.)	$.339	$.337	$.3415
Steel scrap avg. (ton)[f]	$37.50	$37.83	$33.50
Wholesale food index†	[d]$6.00	$6.02	$5.94
Weekly whlsl. index (BLS)¶	[d]119.4	119.5	119.8
BUSINESS:			
Dept. stores sales§¶	[b]144	130	146
Failures (Apr. 20)‡	320	383	283

*In millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Federal Reserve Board [a]Member banks, 107 cities, Apr. 19 [b]Apr. 22 [c]Apr. 15 [d]Apr. 25 [e]1957=100 [f]Iron Age

Living Costs Steady. The Bureau of Labor Statistics reported Apr. 26 that the consumer price index had remained in March at February's record level of 127.5% of the 1947-49 average.

A companion BLS report Apr. 26 said that spendable earnings of the average factory worker with 3 dependents had risen from $80.22 a week in February to $80.89 in March, and that his purchasing power had risen almost 1%.

A committee of economists recommended to the Congressional Joint Economic Committee May 1 that the consumer price index be revised so that it actually measured living costs. Prof. George J. Stigler of the University of Chicago, committee chairman, suggested simultaneously that the consumer index, which currently accounted for expenditures of city consumers only, be expanded to encompass rural living costs as well. The committee had been assembled by the National Bureau of Economic Research to study government price indexes for the Budget Bureau. [See p. 136A1]

Corporation Profits Down. First-quarter earnings of 692 nonfinancial corporations totaled $2.1 billion, down 19% from 1960's first quarter and 15% from its final quarter, the First National City Bank reported in its Monthly Letter May 1. The net income of 539 manufacturing companies totaled $1.6 billion in the 1961 period, down 22% from the same 1960 period and 14% from 1960's final quarter. Greatest profit declines were in durable goods industries. The auto industry assembled 41% fewer cars during Jan.-Mar. 1961 than in the 1960 quarter; its profits declined 46% from Jan.-Mar. 1960 and 31% from Oct.-Dec. 1960. [See p. 88F2]